Previous references.

No 391-2/D:6 1906-7 (Gl. Insane

8-21-2-01

Later references.

File No. 84

Serial Nos. 3 & 5

GENERAL AND REVENUE SECRETARIAT.

P8/E

Serial Nos.

Part B. for November

SUBJECT.

Investment of moneys belonging to the Ruling Family in the New 4 p.c Loan

From the Comptroller
No: 1428/204 dated 5.9.06
States that as the State has a loan of its own bearing interest at a higher rate than that obtained on Govt of India Pro notes, Some marke should be created for the State notes by making the State Investments and also the investments on behalf of the Ruling Family & Trust Funds as far as possible, into the State loan

To Comptr., Palace Officer Mutrai Secretary
No: H 3254-6 D 5.11.06
States that the proposal is well Considered and may be given effect to

1906.

GENERAL AND REVENUE SECRETARIAT.

(Pol: Sec.

NOTES.

File No. 82 — 06

FILE HEADING.

Investment of the moneys belonging to the members of the Ruling family in the new 4% loan

The Comptroller.

No. 1428/204 Dated 5.9.06 Received 6.9.06

Diary No. 1068	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

Suggests that as the State has a loan of its own bearing interest at a higher rate than that obtained on Govt of India Bonds, some market should be created for the State Notes by making the State Investments & also the investments on behalf of the Ruling Family & Trust Funds, as far as possible, into the State Loan.

NOTES AND ORDERS.

Under the Standing orders, D.O. 391-2 dt 21.2.1901, the Comptroller can invest the whole of the Palace Personal Investment into the Govt of India Securities. So also the interests accruing thereon.

2) The Comptr. now states that the State has a

Serial No.

loan of its own bearing ~~higher~~ est at a higher rate than that obtained for ~~of~~ India Bonds some market should be created therefor by permitting the Comptroller to invest, as far as possible, all funds in the custody of the State into State Papers & not merely into the form of India Papers.

submitted for orders
K.S. 7.9.06.

The proposal has not only the advantage of creating a market for the State Note but it also enables the Personal Estate Funds to earn better interest. The income tax paid on the interest realized from the Govt of India Securities will also be saved & there will ~~not be~~ be half a per cent additional interest from the new investment purchased by the Comptr.

Subd to Secy 10.9.06

Mrs Reynolds's application

Secy

to Govt

06

Submitted to His Highness

I submit for orders the Comptroller's letter suggesting that he may be authorized to invest part of the funds in the custody of the State, including the investments now held on behalf of the members of the Ruling family and trust funds, into State Paper in connection with the present 4% State Loan.

The proposal is well considered and may be given effect to. It has the advantage of bringi in an additional half a per cent interest, while it also saves the income tax now paid on the interest realized from the Government of India Securities.

This investment will also create a market for the State Loan Paper and will conduce to the po larity and success of the loan.

24/9/1806

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Proposed investment of certain funds into State paper in connection with the present 4 p.c. Loan.

Order.

Approved

~~KRW~~

29/10/06

Dewan's order.

Please inform Comptroller accordingly BO CSB

Done advance - 2/11/06

2-11-06

Draft

G.R.S. 12J

General and Revenue Secretariat.

Gen. Dn File No. 84 of 1906

Serial No.

Draft submitted for approval

K.S 3.11.06

Issued under my 3-11-06

To the Comptroller

" Officer in charge of Palace Estt.

" Secretary to Govt., Murrai Dept.

No: H 3254-6 Dy 5.11.06.

States that the proposal is well considered and may be given effect to.

Extract of paras 5,6 and 7 of letter No.1428/204 dated the 5th September 1906 from the Comptroller, to the Secy.to Govt., General and Revenue Departments.

Pl: Fin 84-06.

5. I take this opportunity to invite your attention to Govt. Order No.391-2/D.C. dated the 21st February 1901. In this order it was directed that the interest on the investment now held on behalf of the Members of the Ruling Family and others should be invested into Government of India Pro-Notes as it is realised. It is also laid down in other orders concerning each case that the fixed allowances due every year to the Members of the Ruling Family should be similarly invested at the commencement of each financial year.

6. I beg to submit that now that the State has a loan of its own bearing interest at a higher rate than that obtained on Government of India Pro-Notes, some market should be created for the State Notes by making the State Investments and also the investments on behalf of the Ruling Family and Trust Funds, as far as possible, into the State loan.

7. I therefore request that, if Government have no objection, an order in modification of existing practice may be issued, authorising the Comptroller not to invest all funds in the custody of the State into Govt.of India Pro-Notes as a matter of inflexible routine, but invest part at least into State Paper so far as such Paper may be available for sale in the open market at a fair price.

File No. 84-61

Serial No. 45

Diary No. of letter replied to 1068

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.

(G. J.)

, the 5th ~~October~~ November 1906

Date of issue — do —

Signed by M. Krishna Rao

READ.—

Paras. 5, 6 & 7 of letter No. 1428/204 of the 5th September 1906, from the Comptroller, stating that, under Memo: No: 391-2/D.60 the 21st February 1901 & other orders relating to the Palace personal Estate ~~Accounts of the members of the Ruling family~~, the interest ~~realize from time to time~~ from the investments connected with these account as it ~~fall~~ is realized and the fixed annual allowances payable to the members of the Ruling Family as they fall due should be invested in Govt. of India Promotes, and

(2) that, as the State has now a loan

over

of its own bearing interest at a higher rate than that obtained on ~~fat~~ of India bonds, he may be authorized to invest apart of the funds in the custody of the State including the investments now held on behalf of the members of the Ruling family and ~~Trust~~ funds in the ~~Loan~~ and State Paper as far as may be available for sale in the Open market at a fair price and that such investment will, besides enabling the funds to earn a higher rate of interest, create some market for the State bonds.

Order thereon :— No Fb 5234 I.
Fb Pm 84-86-4
dy 5 October/01 Nov

The proposal is well considered may be given effect to.

for Secretary. 3 11 12

The Comptroller-
The officer in charge of Palace Accts:
The Secy to Govt in the Munj: Deptt.

3 11

K.S.
3.11.01.